

**INTERNAL AUDIT SERVICES**  
**REPORT REF No S/017/20 (June 2019)**

**National Park-Grants & Contributions**



*West Dunbartonshire ~ from the banks of Loch Lomond to the shores of the Clyde*



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**Personnel referred to in this report :**

**Jaki Carnegie – Director Corporate Services (left May 2019)**  
**Susan Brooks – Development Planning and Communities Manager;**  
**Eilidh McKerry – Finance Manager**  
**Sandra Dalziel – Governance & Legal Manager**

**Auditor: Michael Brennan**

## **1. EXECUTIVE SUMMARY**

### **General**

An audit was conducted on Grants and Contributions distributed under the National Park Grant Scheme 2018/19 and we are pleased to report that the systems examined are working effectively. The audit was prompted by a 2017/18 grant that is currently under investigation by management. The grant awarded was for the value of £11,600. Of this, £4,400 remains unspent and this was repaid by the recipient on 5th April 2019 on request of the Authority whilst the investigation is ongoing.

The review covered the administration of the National Park Grant Scheme for 2018/19.

The review highlighted the following areas of good practice;

- The provision of clear guidelines outlining who can apply for grants, the types of projects that can be funded and the amount of grants available;
- Appointment of lead officers for each grant application;
- The establishment of scoring criteria which when applied to grant applications ensures that grants awarded supports projects within the National Park that deliver against the outcomes in the National Park Partnership Plan and provides additional benefits for communities, businesses and residents across the National Park; and
- Monitoring procedures for both Main Grants and Capacity Grants to ensure funds are expended in accordance with conditions set when grants were awarded.

No actionable issues were identified during the course of this audit.

## **2. MAIN REPORT**

### **2.1 INTRODUCTION**

2.1.1 An audit was carried out on Grants and Contributions distributed under the National Park Grant Scheme 2018/19 as part of Internal Audit's Planned Programme of Audits. The audit was prompted by a 2017/18 grant that is currently under investigation by management. The grant awarded was for the value of £11,600. Of this, £4,400 remains unspent and this was repaid by the recipient on 5th April 2019 on request of the Authority whilst the investigation is ongoing.

### **2.2 SCOPE AND OBJECTIVES**

2.2.1 An audit launch meeting was held with Jaki Carnegie (left May 2019), Susan Brooks, Eilidh McKerry, Sandra Dalziel, and Michael Brennan to agree the scope and objectives of the audit.

The main scope of the audit was to examine the current processes and procedures followed by the National Park in administering the Grant Scheme. The objectives of the audit were to ensure that the processes and procedures operated as part of the Grant Scheme are adequate for the purpose and provide assurance to the Park Authority that the Grant Scheme is supporting the objectives set out in the National Park Partnership Plan.

2.2.2 The Grant Scheme guidelines, procedures were reviewed to confirm robustness and completeness. This included a review of all forms used including Expression of Interest, Grant form Application form, and Monitoring Reports.

2.2.3 A review of all grant application in 2018/19 was carried out to ensure that all grants were awarded in accordance with procedures and meet the requirements of the National Park. This included the monitoring of projects awarded grants to ensure funds disbursed were expended in line with the conditions of the grant.

2.2.4 The disbursement of all grants awarded was examined to ensure the National Park procedures for making payments were complied with.

### **2.3 FINDINGS**

2.3.1 The findings are based upon evidence obtained from substantive testing.

2.3.2 The audit was conducted in conformance with the Public Sector Internal Audit Standards (PSIAS).

2.3.3 The factual accuracy of this report has been verified by the Officers involved in the audit. No actionable issues were identified during the course of this audit.

2.3.4 The grant scheme supports projects within the National Park that deliver against the outcomes in the National Park Partnership Plan and provides additional benefits for communities, businesses and residents across the

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National Park. The National Park Grant Scheme is open to individuals, businesses, public bodies and constituted voluntary/community groups or charities, providing that they have the right to, or approval to, undertake the proposals. Grants are awarded for Capital or Revenue project expenditure. In 2018/19 applications were also accepted for projects contributing to The Year of the Young Person (YOYP). In addition to the main grants awarded under the scheme the National Park also awards capacity grants (Maximum £300 per applicant) to local communities & organisations. This is an administration grant for Community Development Trusts to help with administration costs for supporting and developing their organisation.

Type of Grant	Grants Applications	Grants Awarded	Grants Withdrawn	Grants Paid
Main	£115,541.66	£81,591.66	£6,526.00	£74,865.66
Capacity	£ 4,530.00	£ 4,530.00		£ 4,530.00
Total	£120,071.66	£86,121.66	£6,526.00	£79,395.66
Budget				£80,000.00

2.3.5 In 2018/19 there were 14 expressions of interest received for main grants under the National Park Grant Scheme. The National Park assessed all the Expressions of Interest and scored each one to establish if the projects for which grant funding is been applied for contribute to the National Park Partnership Plan Outcomes and the applicant has the resources and funding to deliver the project. The highest scoring applicants were invited to submit a detailed application. Twelve of the expressions of interest progressed to full applications. The Main Grants were submitted to the Grants Awards Panel for approval on 27<sup>th</sup> August 2018. The Grants Awards Panel consisted of six National Park managers with support provided by other National Park staff.

The auditor reviewed all Main Grants awarded and is satisfied that proper procedures were followed in all cases. There were a number of specific conditions attached to 10 of the grants awarded. The conditions included confirmation of match funding, planning permission and future maintenance of capital work. Two grants awarded were subsequently withdrawn when the applicants were unable to confirm receipt of match funding.

2.3.6 In addition to the main grants awarded under the scheme the National Park Authority also awards capacity grants (Maximum £300 per applicant) to local communities & organisations. This is an administration grant for Community Development Trusts to help with administration costs for supporting and developing their organisation. There were applications from 16 Community Development Trusts for this grant in 2018/19. The maximum amount of £300 was awarded to 14 of the applicants with the remaining two been awarded £230 and £100 respectively. The applications for Capacity Grants were submitted to the Grants Awards Panel on 27<sup>th</sup> August 2018. The Total amount of Capacity Grants awarded in 2018/19 was £4,530. The auditor

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reviewed all Capacity Grants awarded and is satisfied that proper procedures were followed in all cases.

- 2.3.7 The majority of the grants awarded are paid up front in order to assist the applicant to undertake the project been funded. Some grants will be paid following completion of the project on submission of a claim form and evidence such as invoices or quotes for the work completed. The amount of monitoring in place depended on the makeup and size of the project been funded. Specific conditions were attached to 10 of the twelve Main Grants awarded which were required to be met before payment of the grant. The auditor examined the supporting documentation for each grant and confirmed that the specific conditions of each were met. It was confirmed that the Purchase Orders and Voucher Payments for the three grants awarded for an amount in excess of £10,000 were authorised by the Director of Rural Development & Planning as is required by the National Park's payment authorisation policy.
- 2.3.8 The National Park is introducing additional procedures to further enhance the monitoring of projects in receipt of main grants under its Grant Scheme. Under the improved monitoring procedures the applicants will be required to complete a progress report during the life of the project highlighting progress been made, anticipate completion date and details of monitoring data required by the National Park. A new Final Report will be required to be completed detailing the final spend alongside actual spend and providing details of total funding, including match funding, for the project. The Final Report will also outline the outcomes achieved by the project.
- 2.3.9 The factual accuracy of this report has been verified by the officers involved in the audit.
- 2.3.10 Audit would like to thank all staff involved in the audit process for their time and assistance.

Note: About this report

This Report has been prepared on the basis set out in the Memorandum of Understanding (MOU) between the National Park Authority as the Client and West Dunbartonshire Council (WDC) as the provider of Internal Audit services. Nothing in this report constitutes a valuation or legal advice. We have not verified the reliability or accuracy of any information obtained in the course of our work, other than in the limited circumstances set out in the MOU. This Report has been prepared for the benefit of the Client only. This Report has not been designed to be of benefit to anyone except the Client. In preparing this Report we have not taken into account the interests, needs or circumstances of anyone apart from the Client, even though we may have been aware that others might read this Report. This Report is not suitable to be relied on by any party wishing to acquire rights against WDC, other than the Client for any purpose or in any context. Any party other than the Client that obtains access to this Report or a copy (under the Freedom of Information (Scotland) Act 2002, the Environmental Information (Scotland) Regulations 2004 through the Client's Publication Scheme or otherwise) and chooses to rely on this Report (or any part of it) does so at its own risk. To the fullest extent permitted by law, WDC does not assume any responsibility and will not accept any liability in respect of this Report to any party other than the Client. In particular, and without limiting the general statement above, since we have prepared this Report for the benefit of the Client alone, this Report has not been prepared for the benefit of any other public sector body nor for any other person or organisation who might have an interest in the matters discussed in this Report, including for example those who work in the public sector or those who provide goods or services to those who operate in the public sector.